State of Michigan Michigan Department of Agriculture Commission of Agriculture

MSU Monroe County Extension Office 963 South Raisinville Road, Monroe, Michigan

> Meeting Minutes June 10-11, 1998

PRESENT:

Douglas E. Darling, Chairperson, Commission of Agriculture Deanna Stamp, Vice Chairperson, Commission of Agriculture Jordan B. Tatter, Secretary, Commission of Agriculture James E. Maitland, Commission of Agriculture Shirley A. Skogman, Commission of Agriculture Dan Wyant, Director, Michigan Department of Agriculture

OTHERS PRESENT:

Ron Zellar, Assistant Attorney General Michigan Department of Agriculture Staff MSU Monroe County Extension Staff Brad Deacon, Governor Engler's Office Ron Nelson, Michigan Farm Bureau Rich T. Davis, Michigan Truck Safety Commission Robert Ramels, Michigan Truck Safety Commission Larry See, The Monroe Guardian

CALL TO ORDER AND ROLL CALL:

Chairman Darling called the meeting to order at 3:00 p.m. Secretary Tatter called the roll with all Commissioners and Director Wyant present.

APPROVAL OF MINUTES:

MOTION: Commissioner Maitland moved to accept the May 13, 1998, minutes as presented. Seconded. Motion carried unanimously.

NEXT MEETING:

The next Commission of Agriculture meeting will be held July 7-8, 1998, in conjunction with MSU Ag Expo Week. The meeting will be held at The Pavilion for Agriculture and Livestock Education, Room C, 4301 Farm Lane, East Lansing, Michigan.

DIRECTOR'S OUT OF STATE TRAVEL:

MOTION: Commissioner Stamp moved to approve Director Wyant's travel to attend a meeting of the Midwest Association State Departments of Agriculture, in Minneapolis, Minnesota, to be held July 11-15, 1998. Seconded. Motion carried unanimously.

COMMISSIONERS' COMMENTS

Commissioner James Maitland reported that on May 15, 1998 he, Commissioner Tatter, MDA staff and other quests participated in a tour of the Sara Lee Bakery Plant located in Traverse City, Michigan.

Commissioner Maitland informed the Commission that the Traverse City area is lacking adequate rain, but sweet cherries should be harvested in June and sour cherries the beginning of July.

Commissioner Maitland visited the Grand Rapids area and observed firsthand the storm and wind damage to the fruit trees. He is anticipating hearing the director's report today on the storm damage assessments to agriculture.

Commissioner Shirley Skogman reported that the weather in the Upper Peninsula is still dry and high winds are removing moisture from the ground. Potatoes are starting to emerge slightly, but some farmers are replanting because of the dry conditions. The hay situation is not good in the Upper Peninsula, especially in Menominee and Dickinson counties. The grass seedings on barley and oats are dormant in the ground. Commissioner Skogman commented that this has been a very unusual spring in the Upper Peninsula, with dry conditions and then an unexpected week of frost. She is concerned that the weather will have a negative effect on the crops.

She commented that she heard an announcement on the radio that an agreement has been signed for a new potato processing plant at K.I. Sawyer. She asked if the department could send her more information about this project. She also suggested that the Commission tour the plant during its August Commission meeting.

Commissioner Skogman reported that wolves are making a comeback in the U.P. Seven calves have been documented as being killed by wolves. Owners have expressed concern and will most likely seek indemnification from the state.

Commissioner Tatter asked if there is such a provision for indemnification. Director Wyant replied that there is and he and Jim Hamill of the Michigan Department of Natural Resources have discussed the issue. Director Wyant said that Dr. Gordon Guyer was instrumental in obtaining the boilerplate language in MDA's budget that allows for the indemnification of livestock killed by wolves. MDA is currently working on an indemnity policy.

Commissioner Skogman thanked Kendra Anderson from MDA's Region VII office for transporting her from the Detroit Metro airport to Monroe and for arranging the tour of the Frito Lay Plant.

Commissioner Jordan Tatter reported that Southwest Michigan escaped the devastating windstorm that hit the last of May along the west central coastline and through the center of the state. A freeze on June 6 damaged blueberries, tree fruit and grapes in low-lying areas in Southwest Michigan. In general the fruit crop in the area will not be as good as last year. The growing season is almost 10 days ahead of normal. Recent cool weather has helped offset the lack of rainfall during the past month. He reported that it is very dry and crops are suffering. Farm labor is in short supply, but the reduced crop size may balance the need.

Commissioner Tatter toured the Sara Lee Bakery Plant in Traverse City on May 15, along with Commissioner Maitland, Director Wyant, regional staff and other guests. From May 23 to June 5 Commissioner Tatter drove across western Canada to the Yukon, Northwest Territories and Alaska. He observed the rich farmland of the Red River Valley and all along the route to the Yukon. He commented that given further genetic adaptation of short growing season grains, this is a tremendous expanse of productive farmland and potentially increasing competition for world grain markets. There were large farms and huge equipment as far as the eye could see for over 1,000 miles along the route in Canada. Commissioner Tatter reported that he also attended the Michigan Food Processors Annual Meeting in Lewiston, Michigan, on June 7 and 8.

Commissioner Tatter referenced comments that appeared in a newspaper article attributed to an environmental quality analyst employed by the state Department of Natural Resources. He was quoted as saying, "I'm not sure if the fish kill is a natural fish kill or if some farmers up there dumped (something) there...." Commissioner Tatter is concerned about this wording and the approach taken by the employee.

He said that the Michigan Agricultural Processing Act was well received by the Michigan Food Processors at their annual meeting. He feels it is a positive step forward by adding "grains," "dairy," and the other processing elements to the language.

Commissioner Skogman agreed with Commissioner Tatter's statement about the labor shortage.

Commissioner Deanna Stamp reported that she has been very busy on her farm and in the field. She said that there does not seem to be severe wind damage in her immediate area; however, damage reports have been received from surrounding farms. The crops in the Thumb area and in the middle of the state are in need of rain. The Thumb area also has experienced the warm, dry winds, as well as the killing frost causing crop damage. The feeling is that the corn will most likely grow out of it, but soybeans in some areas will need to be replanted. She also reported that the first cutting of hay in the area was of good quality and in good condition.

Commissioner Douglas Darling introduced Dale Brose, Paul Marks and Ned Birkey of the MSU Monroe County Cooperative Extension Office. On behalf of the Commission, he expressed appreciation to the Monroe County Extension Office for hosting today's meeting.

Commissioner Darling reported that weather conditions are very dry and crop prices are of concern. He participated in a farmland preservation meeting sponsored by the Monroe County Extension, Farm Bureau and Planning Commission. A number of local officials were in attendance and discussions centered on purchase of development rights and how local municipalities are involved.

Commissioner Darling also expressed his enjoyment over a presentation made by the Cassopolis FFA Chapter on farmland preservation. He commented that it is a tremendous 15-minute program that covers farmland preservation, purchase development rights, transfer development rights and other PA 116 programs. He added that this is an excellent presentation by a knowledgeable group of high school students.

Director Wyant added that this FFA Chapter has won state and national recognition. He would like to ask the students to make this presentation before the Commission at an upcoming meeting.

Commissioner Darling talked briefly about the groundwater tax and the recycling of herbicide containers. Even though there are areas around the state that have recycling centers, the distance to travel is often a problem. He encouraged the establishment of additional recycling centers.

RESOLUTION

Commissioner Tatter moved that the following resolution be approved:

Whereas, John Engler grew up on a cattle farm near Beal City, Michigan, and has consistently remained true to his agricultural roots, and;

Whereas, throughout his legislative career in the Michigan House of Representatives and Senate, John Engler was a tireless supporter of Michigan agriculture, and;

Whereas, since taking office as Governor of Michigan in 1991, John Engler has worked diligently to maintain the health and viability of Michigan agriculture by instituting property tax reform which cut taxes on farms by nearly 80 percent, repeal of the Michigan inheritance tax, elimination of burdensome regulations, and enactment of the strongest right to farm law in the nation, and;

Whereas, under the leadership of Governor Engler, Michigan has made research and trade top priorities for agriculture by funding the \$74 million Animal Agriculture Industry Initiative and Project GREEN, a plant science program to develop the technology and research necessary for the 21st century, and;

Whereas, Governor Engler has supported efforts to modernize and upgrade Michigan's food safety programs, making them the top priority of the Michigan Department of Agriculture, and;

Whereas, through creative and cooperative efforts between the Michigan Departments of Agriculture and Environmental Quality, Michigan has developed model programs in groundwater stewardship, pesticide container recycling, and pollution prevention, and;

Whereas, recognizing the importance of training tomorrow's leaders, Governor Engler approved funding for public-private partnership with the FFA to incorporate agriculture in the classroom,

Now, therefore, be it resolved that the Michigan Commission of Agriculture hereby nominates Governor John Engler as one of Farmer's Digest's "Top 50" awards.

Seconded. Motion carried unanimously.

LEGISLATIVE REPORT:

Director Wyant distributed copies of the May 1998 Bill Status. Vicki Pontz-Teachout, Legislative Liaison, was unable to attend today's meeting due to legislative meetings being held today at the State Capitol. Director Wyant updated the Commission on the status of the following bills.

HB 4337 (Drain Code) may move through committee this week, but there is question when the bill will be sent to the House.

HB 4407 (Soil Conservation District Elections) has been reported out of the House committee and is before the House.

HB 5866 (Fertilizer) preempts local governments from regulating fertilizer. The bill passed out of the House and is currently in the Senate.

HB 5894 (Farmland Trust Fund) creates a farmland trust fund that is tie-barred with the Clean Michigan Initiative. Representatives Bill Bobier and Howard Wetters introduced this legislation.

Commissioner Maitland asked if the Farmland Trust Fund would be under the auspices of the Department of Natural Resources or the Department of Agriculture.

Director Wyant replied that as introduced the Department of Natural Resources would operate the fund. The fund would be similar to the Natural Resources Trust Fund, with a board appointed by the Governor consisting of five members responsible for the administration of the fund. Director Wyant will send copies of the proposed legislation to the Commission.

SB 1025 (Food Processors) protects food processors from nuisance complaints. It has been reported out of committee and is currently on the Senate floor.

SB 1093 (Livestock Composting) allows for composting livestock bodies. This bill has been reported out of committee and is currently before the Senate.

MDA Budget: The department's budget is in conference committee. There is close alignment between both houses with increases in Project GREEN from the recommended \$4 million to \$5.4 million, and \$400,000 earmarked for an export promotion program. The House has increased horse racing grants by \$1.8 million; the Senate increased the grants by \$2.4 million.

An appropriation of \$78,000 has been earmarked for a draft horse show. There currently are two Michigan draft horse shows, the CAN-AM Draft Horse Show, held at the Michigan State Fair, and the Great Lakes International Draft Horse Show, held at Michigan State University. The department must decide how the \$78,000 will be disbursed. This is not General Fund money, but is an equine development, restricted fund.

Commissioner Tatter asked about the remaining budget year and funds available for deer management unit 452.

Director Wyant replied that MDA has \$500,000 in a supplemental appropriation bill designated for bovine tuberculosis surveillance and testing, plus \$250,000 designated for indemnification. He stated that by the middle of July, these monies would be depleted.

APPROVAL OF AN UPPER PENINSULA STATE FAIR MICHIGAN TRUCK SAFETY COMMISSION LEASE AGREEMENT – David Pike, director of Finance and Technology Division, Joseph McDonnell, manager of the Upper Peninsula State Fair

David Pike, director of the Finance and Technology Division, requested Commission approval for the director to enter into negotiations for a 10-year lease agreement with the Michigan Truck Safety Commission (MTSC). Mr. Pike believes this to be a great partnership with the MTSC and recommends Commission approval.

Joseph McDonnell, manager of the Upper Peninsula State Fair, presented an overview of the proposed project. He also introduced Rich Davis and Bob Ramels of the Michigan Truck Safety Commission (MTSC). Mr. McDonnell stated that last winter the fair was approached by the MTSC proposing a pilot to teach winter driving techniques. Escanaba is centrally located in the Upper Peninsula and the fair facility and grounds meet the needs of the project. It was agreed that the course would be conducted on a natural skid pad in the north parking lot of the fair. Unfortunately, because of the warm winter weather conditions, MTSC was unable to maintain the ice to effectively conduct the program and only 61 drivers were trained last year.

MTSC is prepared to make a significant investment at the fairgrounds in order to conduct this truck driving safety course. Many positive comments have been received from the public concerning this program.

Mr. McDonnell stated that he is in full support of the program and recommends Commission approval for the director to enter into the lease agreement. The MTSC would be responsible for the construction and maintenance of the project at no cost to the fair.

Mr. Rich Davis explained that he is the project director for the MTSC, an 11-member commission. The MTSC is not a regulatory organization, but is strictly involved in truck safety education and training. He stated that the MTSC is willing to invest a large sum of money in the U.P. program. The pilot program had received a lot of positive feedback, even though only 61 drivers were trained, instead of the anticipated 300-500. The MTSC has approved \$150,000 for construction of a gravel base and an asphalt top on the skid operation. The MTSC is looking forward to a great partnership with Upper Peninsula State Fair.

Commissioner Tatter inquired if the Upper Peninsula State Fair Board is aware of the project. Mr. McDonnell replied that the board is in full support.

MOTION: Commissioner Skogman moved to grant authority to Director Wyant to enter into negotiations for a lease agreement between the Upper Peninsula State Fair and the Michigan Truck Safety Commission. Seconded. Motion carried unanimously.

DIRECTOR'S REPORT:

Director Wyant expressed his appreciation to the MSU Monroe County Extension staff for hosting today's meeting. He commented that he and the Commission are looking forward to the Monroe County tours scheduled for June 11, 1998.

Director Wyant introduced Karen Butler and Kendra Anderson of MDA's Region VII office, Lorna Lynn of MDA's Office of Agriculture Development, and Brad Deacon of Governor Engler's office.

Director Wyant distributed his June monthly activity report and highlighted the following:

BOVINE TUBERCULOSIS IN MICHIGAN: Director Wyant appeared with Baxter Black and Ted Nugent on Michigan Farm Radio hosted by Pat Driscoll to talk about the status of bovine tuberculosis in Michigan. He also

reported that Governor Engler recently held a wildlife and sportsmen's roundtable discussion and a large part of the discussion centered on the bovine tuberculosis situation in Michigan. Ted Nugent and former Detroit Tiger Kirk Gibson have agreed to be a part of a tuberculosis education initiative. Both individuals believe that more needs to be done in the affected area to educate citizens, hunters, and sportsmen about the critical need to eradicate tuberculosis. Director Wyant stated that there is still reluctance to move in the direction of reducing the deer herd. Feedback has been received from business, community leaders, and sportsmen, who feel that reducing the deer herd is not the answer. However, MDA feels that if we are going to eradicate the disease, and that is the ultimate goal, then a feeding ban and baiting restriction is an effective means to reducing the deer numbers.

CLEAN SWEEP: MDA was involved in the single largest collection ever made by Clean Sweep. A new employee of the Highland Park City Yard noticed the storage of six tons of old and unwanted pesticides. Highland Park utilized MDA's Clean Sweep Program to ensure proper disposal of the chemicals. These chemicals had been stored at the City Yard since the 1980s.

MDA MOVE: On June 9, Governor Engler announced a major relocation project for downtown Lansing and state government. Major renovations will take place in three buildings in the downtown area. The Michigan Department of Environmental Quality will move into the old Lansing Civic Center, the Michigan Housing Development Authority will move into the old Michigan State Library, and the Michigan Department of Agriculture will move into the vacant YWCA building. The YWCA building will be renovated which will allow for more floor space and design opportunities. It is expected that the MDA move will take place within the next 18 to 24 months. There is concern, however, about parking availability for employees and the department is committed to working with the Department of Management and Budget to resolve the issue.

STORM DAMAGE/DISASTER AREAS IN CENTRAL MICHIGAN: Director Wyant reported that on May 31, 1998 a substantial windstorm moved through central Michigan and through some of Michigan's most productive farmland. Estimations at that time revealed over 120,000 apple trees damaged, 60,000 of those were completely destroyed. This is an eight-mile wide, 22-mile long area that contains at least 30-35 percent of Michigan's total apple production. There is substantial loss of fruit and the risk of fireblight is already established.

David Charney, Emergency Management Coordinator, provided an update on the storm damage and disaster areas. Since the May 31, 1998, storm there have been four storm-related deaths; 146 serious injuries, 254 homes totally destroyed, 12,250 homes seriously damaged, 34 businesses destroyed, and 829 businesses seriously damaged. The damage to public structures (county buildings, police radio towers, etc.) exceeds \$20 million. Over 800,000 customers were without electricity, some of them for up to eight days. These numbers will continue to grow as the damage assessment process continues.

Mr. Charney also reported that Governor Engler viewed the damage firsthand and issued a disaster declaration for 15 counties. Each of the public jurisdictions in those counties is eligible to apply for reimbursement for their disaster response expenses of up to \$30,000 per jurisdiction. The Governor mobilized the Michigan National Guard to assist in the cleanup and removal of debris. He also requested a \$10 million appropriation from the Legislature to allow for the continuation of debris removal, beyond what the National Guard can accomplish. The Governor also requested that the Federal Emergency Management Agency (FEMA) visit Michigan to conduct a preliminary damage assessment to determine whether Michigan warrants a Presidential Disaster Declaration. There are currently 10 FEMA teams in Michigan for a four-day period. The Governor also will be requesting a Small Business Administration Disaster Declaration.

Director Wyant toured the damaged area on June 8, 1998. Mr. Charney thanked Ron Nelson of the Michigan Farm Bureau, as well as the USDA, Farm Service Agency, MSU Extension and the others involved for their assistance in making this tour of the damaged agricultural areas a success. Christine White of the Farm Service Agency has requested a disaster declaration for physical losses and implementation of the Tree Assistance Program (TAP). She also has implemented the Emergency Conservation Program (ECP) that provides for federal funding to ensure the conservation of the land, as well as a Emergency Loan Designation Program or Secretarial Disaster Designation.

He also reported that as of June 9, 1998, MDA food inspectors had seized over 760,000 pounds of food and

individual grocers voluntarily dumped another 1.6 million pounds. MDA dairy inspectors to date have dumped 41,000 pounds of milk, with another 50,000 pounds as being certified for powdered milk only. One dairy farm located in Isabella County received damage so severe to its barn and parlor that the owners have decided not to return to business. Another dairy farm in Kent County, two dairy farms in Ottawa County and one in Montcalm County have not made the decision whether or not to return to the dairy business.

Mr. Charney stated that the most severe impact of the storm has been the accumulation of debris impeding emergency response. The second severe impact occurred to agriculture. A Michigan Department of Environmental Quality regulation prohibiting the burning of structures and an emergency burning ban has been waived by the Governor to allow farmers to burn their destroyed bans rather than having to pay for disposal.

MICHIGAN STATE FAIR: Barbara Hensinger, Michigan State Fair Liaison, reported that 1998 is the 150th anniversary of the fair and there are many activities planned. A new pocket park will provide fishing, fly-tying, archery simulations, etc. and a giant stove that was built for the 1893 Chicago World's Fair has been refurbished. Director Wyant and Ms. Hensinger have met with the agricultural community to discuss ways of enhancing and maintaining a year-round agricultural presence at the fair. Many repairs are needed to buildings, especially the ag building. The opening day of the fair is August 25; however, the unveiling of the stove will be held August 24. The Governor's Luncheon is scheduled for August 28, which will be preceded by a Grape and Wine Industry Council Reception.

Director Wyant stated that John Hertel, Manager of the Michigan State Fair, is working on a number of promotional activities. The City of Detroit has expressed an interest in leasing the fairgrounds for a year-round shopping center. Joe Dumars of the Detroit Pistons is contemplating developing an athletic facility on the fairgrounds. The commitment is that the fair will stay in Detroit, but it is evident that steps are needed to improve the grounds and facilities. MDA is working with interested parties on developing a strategic plan to market and broaden the understanding of agriculture, while enhancing community-based activities that are needed in the area.

HORSE RACING: Director Wyant is continuing to work with the horse racing industry to discuss the future of thoroughbred racing in Michigan. He has met with the Office of Racing Commissioner staff and industry to discuss available opportunities. Hazel Park and Mt. Pleasant are still viable options for thoroughbred racing.

ENVIRONMENTAL ISSUES: A meeting was held with Russ Harding, director of the Michigan Department of Environmental Quality (DEQ) to develop a combined strategy on Confined Animal Feeding Operations (CAFO). The goal and intent is to ensure that MDA and DEQ are united in their communications with EPA, standing together in a common philosophical approach. Both departments desire to use voluntary, educationally based approaches under the right to farm model to satisfy EPA regulations and a joint letter to that effect has been sent to EPA. The EPA is pursuing enforcement strategies that will regulate CAFOs under the existing Clean Water Act. Director Wyant, Keith Creagh and six other state departments of agriculture and environmental directors all have met with EPA's regional administrator in Chicago to discuss the issue. The EPA has made a commitment to notify Michigan before pursuing inspection activities.

UPCOMING EVENTS: Director Wyant distributed a list of upcoming events that the Commissioners may be interested in attending.

SEASONAL LABOR SHORTAGE: Commissioner Maitland raised the issue of this year's seasonal labor shortage for both harvesting and processing. Director Wyant stated that at the next Commission meeting a full presentation would be given on this issue. The director has talked with Dean Poston of MSU and they agreed that discussions need to take place. The Michigan Farm Bureau's Michigan Agricultural Cooperative Marketing Association, Regulatory Compliance Assistance Program, issued a "Special Labor Edition," March 1998, discussing the Ag Labor 1998 Outlook. Copies will be mailed to the Commission.

Director Wyant commented that while touring the storm damaged areas there were four major concerns that farmers voiced repeatedly: 1) Chinese imports of apple juice and the current impact on the market, 2) the availability of agricultural labor, 3) Food Quality Protection Act and how it will affect Michigan, and 4) land use patterns and farmland preservation.

PUBLIC COMMENT:

Kendra Anderson, Region VII, Pesticide and Plant Pest Management Division, showed the Commission two wood planks that had encased some machinery imported into the United States from China. These planks were shown to Ms. Anderson by a USDA plant inspector who was concerned about the emergence holes that were evident of a wood boring insect. A live specimen was taken from the wood revealing that the insect was a rare beetle. The beetle was sent to the Smithsonian Institute for identification. This shipment was received through Portland, Oregon and the shipping papers indicated fumigation. USDA inspectors are investigating this particular case.

Ron Nelson of the Michigan Farm Bureau (MFB) commented on the labor shortage issue raised at today's meeting. He stated that MFB has internally discussed migrant labor regulations and its concern about aggressive enforcement.

He also commented on the storm damage assessment tour. The MFB appreciated the efforts by MDA, MSU, USDA, the Farm Service Agency and others to work together to listen to the people, share with them what is available and to take a firsthand look at how the storm affected so many farmers. He is concerned that fruits and vegetables, potatoes included, are not included as part of any compensation alternatives. He also addressed the issue of insuring crops and how difficult it is to submit paperwork that is due in February when the decision to plant is not made until the spring. He feels that USDA learned a lot from the tour and it was a real educational opportunity for all involved.

ADJOURN

The meeting adjourned at 5:45 p.m.

ATTACHMENTS

The following documentation is on file in the Michigan Commission of Agriculture office and is available upon request:

Attachment A Commission of Agriculture Meeting Minutes, May 13, 1998

Attachment B Legislative Report – May 1998 Bill Status

Attachment C Director's Report – June 1998

Attachment D Upcoming Events

(The Michigan Commission of Agriculture participated in the following tours on June 11, 1998: 4-Star Greenhouse in Carleton, Michigan; Monroe County Lift Stations, hosted by the Monroe County Drain Commissioner in Monroe, Michigan and the Enrico Fermi Nuclear Plant in Newport, Michigan hosted by Detroit Edison.)

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